Wages rise 3.4% in the year to March 2025

Media Release

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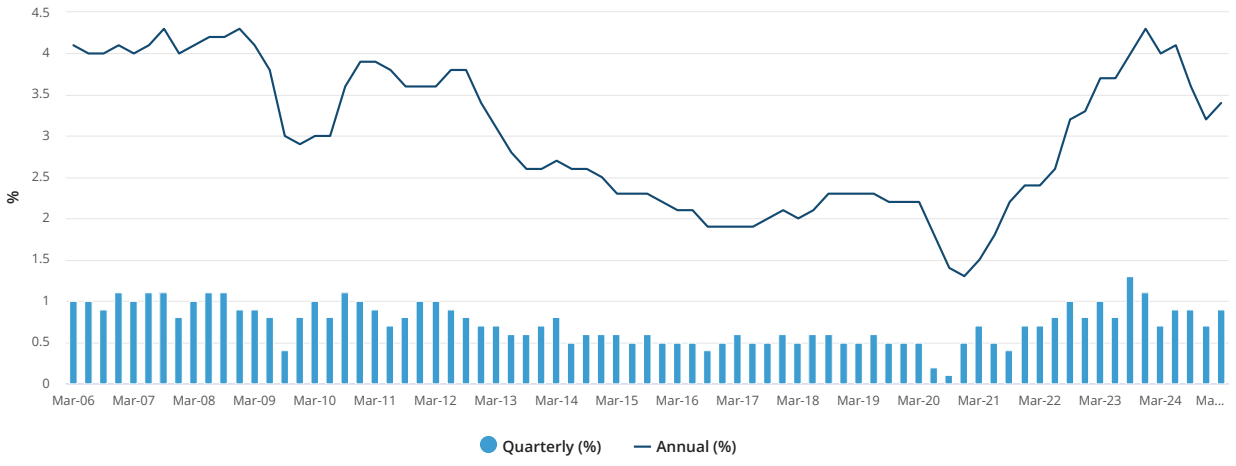
Source:
Wage Price Index, Australia, March 2025 (/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/mar-2025)

The Wage Price Index (WPI) rose 0.9 per cent in the March quarter 2025, and 3.4 per cent annually, according to seasonally adjusted data released today by the Australian Bureau of Statistics (ABS).

All sector WPI, quarterly and annual movement (%), seasonally adjusted (a)



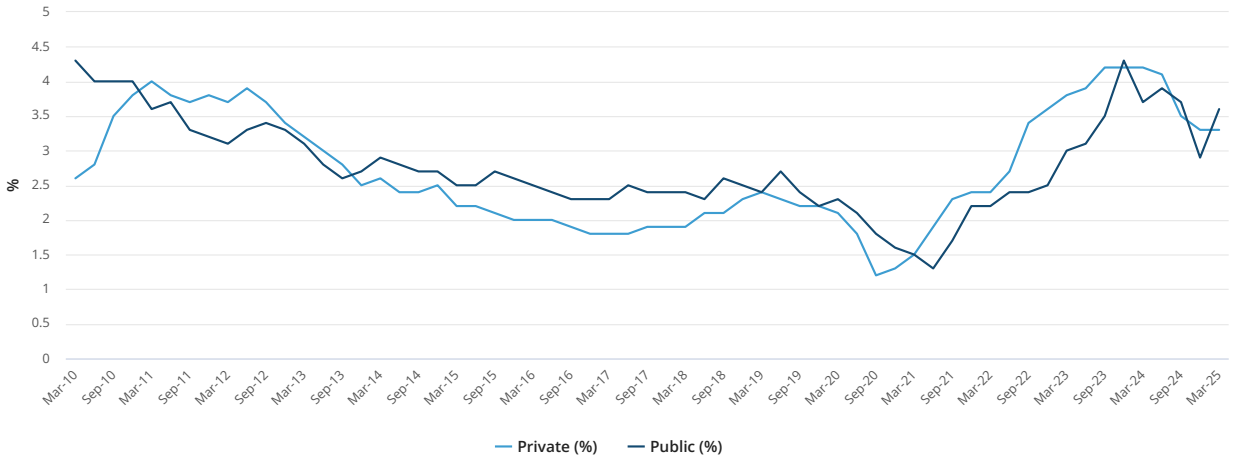
a. See Interpretation of index numbers, Percentage change and rounding on the Methodology (/methodologies/wage-price-index-australia-methodology/mar-2025#interpretation-of-index-numbers) page.

Michelle Marquardt, ABS head of prices statistics said: 'Annual wage growth ticked up for the first time since the June quarter 2024. The 3.4 per cent increase in wages for the year to the March quarter 2025 was higher than the 3.2 per cent to the December quarter 2024, but lower than the 4.0 per cent at the same time last year.'

Private sector wage growth lower than public sector

Seasonally adjusted private sector annual wage growth was unchanged from the December quarter at 3.3 per cent. Annual public sector wage growth was higher than the private sector at 3.6 per cent in the March quarter 2025, up from 2.9 per cent in the December quarter 2024.

Annual wage growth by sector, seasonally adjusted (a)



a. See Interpretation of index numbers, Percentage change and rounding on the Methodology (https://www.abs.gov.au/methodologies/wage-price-index-australia-methodology/mar-2025#interpretation-of-index-numbers) page.

In the March quarter 2025, seasonally adjusted private sector wages rose 0.9 per cent, while public sector wages rose 1.0 per cent.

‘Private sector wage growth was also influenced by administrative wage adjustments due to the Stage 3 Aged Care Work Value Case (https://www.fwc.gov.au/hearings-decisions/major-cases/work-value-case-aged-care-industry/decisions-statements-and) , and the Early Childhood Education and Care Worker Retention Payment (https://www.education.gov.au/newsroom/articles/wage-increase-early-childhood-workforce) . It was also impacted by regular March quarter wage and salary reviews,' Ms Marquardt said.

‘Wages growth in the public sector was impacted by new state-based enterprise agreements, and to a lesser degree, increases paid to aged care workers.’

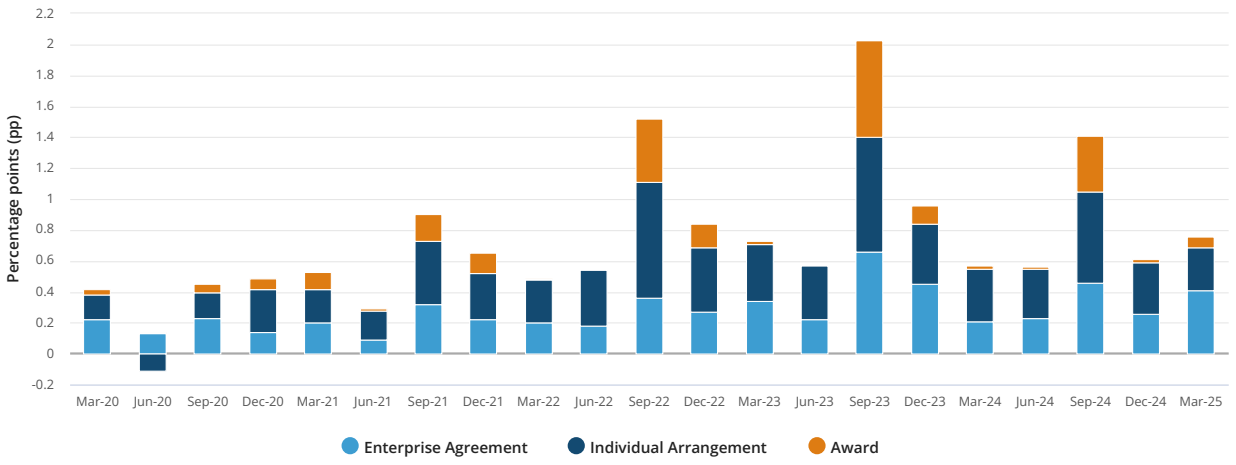
Enterprise agreements the main contributor to wage growth

‘Jobs covered by enterprise agreements contributed to over half of all quarterly growth, for the first time since September 2020,’ Ms Marquardt said.

The larger than usual March quarter contribution from enterprise agreement-covered jobs was mainly driven by

the new state-based enterprise agreements in the public sector.

Contributions to quarterly wage growth by method of setting pay, original (a)(b)(c)



a. Analytical series is total hourly rates of pay excluding bonuses.

b. See Method used to calculate analytical series 'Contribution to wages growth by method of setting pay' on the Methodology (https://www.abs.gov.au/methodologies/wage-price-index-australia-methodology/mar-2025#method-used-to-calculate-analytical-series-contribution-to-wages-growth-by-method-of-setting-pay-) page.

c. See Analytical series index numbers, Appendix B index numbers, methods of setting pay on the Methodology (https://www.abs.gov.au/methodologies/wage-price-index-australia-methodology/mar-2025#appendix-b-index-numbers-method-of-setting-pay) page.

More information can be found in Wage Price Index, Australia (https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/latest-release), March quarter 2025.

Media notes

- When reporting ABS data, you must attribute the Australian Bureau of Statistics (or the ABS) as the source.
- March quarter 2025 Wage Price Index data captures wage information for the mid-month (February) of the March quarter.
- The WPI is designed to measure the change over time in the price of wages and salaries (i.e. a pure price change, unaffected by the changes in the quality or quantity of work performed or the composition of the workforce).
- The Monthly Employee Earnings Indicator (https://www.abs.gov.au/statistics/labour/earnings-and-working-conditions/monthly-employee-earnings-indicator/latest-release), to be released 21 May 2025, is an aggregate measure of total wages and salaries. It differs to the WPI because it captures compositional changes in the labour market such as changes in employment, hours employees were paid for, and periodic payments in

addition to wage increases.

- To learn more about different measures of wages change, their purpose and how to use them, see our Earnings guide (https://www.abs.gov.au/statistics/understanding-statistics/guide-labour-statistics/earnings-guide) . It provides summary information on our various earnings measures including the Wage Price Index. You can access high resolution images of ABS spokespeople, including Michelle Marquardt, from our image library (https://www.abs.gov.au/media-centre/abs-image-library) .
- For media requests and interviews, contact the ABS Media Team on 1300 175 070 or media@abs.gov.au (mailto:media@abs.gov.au) (9am-5pm Mon-Fri).
- Watch our data literacy presentation on CPI, inflation and cost of living data (https://www.youtube.com/watch?v=9-sGkfqqI70) as well as our ABS data crash course (https://www.youtube.com/watch?v=le2K3PNejU4&list=PLR8_RxifMwL4JQTxYclMANzga67VBlyhj&index=12) , designed especially for journalists to learn how to find, download and interpret our data.
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